

PROPOSED DEFINITIONS OF RETAIL COMPETITION

ICC's Retail Competition Workshop Initiative, Phase I
April 22, 2006

- CES:** *Retail competition is characterized by the ability of consumers to choose from multiple alternatives with varying value propositions to best suit their needs. The competitive process that suppliers and consumers engage in to develop these alternatives leads to innovation and a furtherance of consumer benefits as competitors seek the business of individual customers. Retail competition depends on low barriers to entry and on clear, transparent legal institutions governing the terms on which rival firms compete. The transition from monopoly to competitive retail markets requires ongoing and active regulatory oversight.*
- Ameren:** *The ability of retail electric customers to choose electricity supply options from either the local electric utility or from a alternative retail electric supplier.*
- ComEd:** *The exposure and response of retail electric customers to reasonably efficient price and/or non-price signals associated with services offered by utilities, retail electric suppliers ("RESs") or other sources of substitute or complementary products or service.*
- CUB:** *The ability of retail electric customers to choose whether to purchase their electric supply from either the local electric utility or from unaffiliated alternative retail electric suppliers. The amount of competitive retail activity is maximized when all identified barriers to wholesale and retail competition have been eliminated and consumer are protected by vigorous price competition.*
- Reliant:** *A market where all retail electric customers make choices as to how to satisfy their electricity needs. The amount of competitive retail activity is maximized when all identified barriers to wholesale and retail competition have been eliminated. Under a competitive retail market, the provision of power supply is separate from the regulated wires company, just as the generation of electricity is separate from the regulated wires company.*
- Sempra:** *The ability of retail electric customers to choose whether to purchase energy-related products and services from many retail electric service suppliers. The amount of competitive retail activity is maximized when all identified barriers to wholesale and retail competition have been eliminated.*
- Staff:** *The ability of retail electric customers to choose whether to purchase their electric supply from either the local electric utility or from a alternative retail electric supplier. The amount of competitive retail activity is maximized when all identified barriers to wholesale and retail competition have been eliminated.*